



BLACKHAM
Resources Limited

MATILDA FUNDED FOR GOLD PRODUCTION BY Q2, 2016 Diggers & Dealers Presentation

Aug 2015 ASX : BLK





NEAR TERM GOLD PRODUCER FOCUSED ON SHAREHOLDER VALUE

- 4.7Moz Au resource, 55kms of strike & 780km² landholding in Western Australia
- 1.3Mtpa plant & infrastructure unlocks value in Matilda Gold Project allowing production over 100,000ozpa
- Working towards a 10 year mine life focusing on the free milling ores
- Market cap ~ A\$29M = A\$4/resource oz or \$42/min inv. oz
- Fully funded to production by Quarter 2, 2016

Corporate Overview



CAPITAL STRUCTURE

Market cap. @ A\$0.145	A\$29M
Shares on issue	198M
Options @ avg \$0.23/share	34.9M
Cash & investments @ 30 June 2015	A\$9.9M
Debt @ 30 June 2015	A\$6.0M
Orion undrawn debt facility*	A\$30M
* see announcement 19 May15	

SHAREHOLDER ANALYSIS

Top 20	58%
Citicorp Nominees	13.2%
Orion Mine Finance	12.5%
Polo Resources Limited	10.4%
HSBC Nominees	4.1%
Kingsreef Pty Ltd	3.7%

BOARD OF DIRECTORS

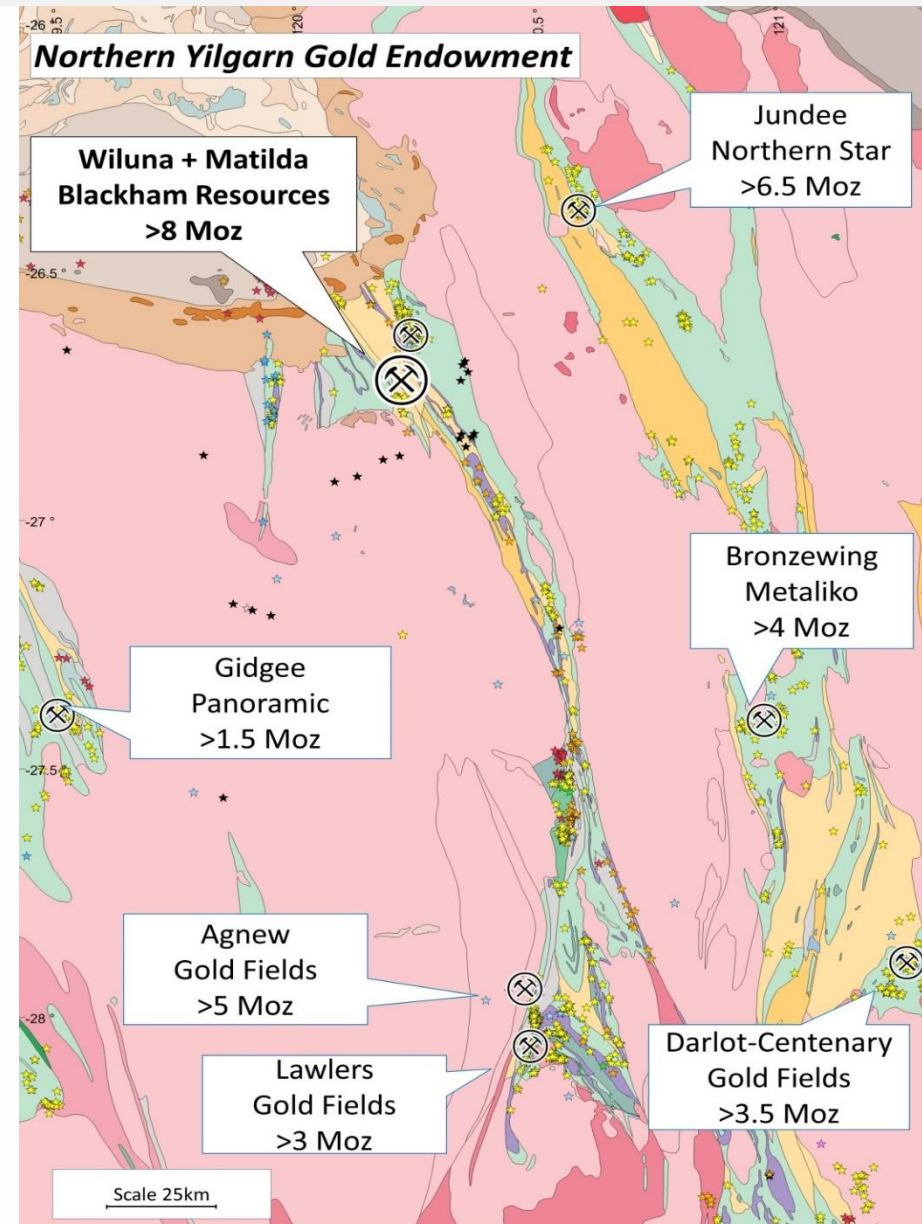
Paul Murphy	Independent Non-Exec Chairman
Bryan Dixon	Managing Director
Alan Thom	Director – Chief Ops Officer
Greg Miles	Non-Executive Director
Peter Rozenauers	Non-Executive Director



Regional Endowment



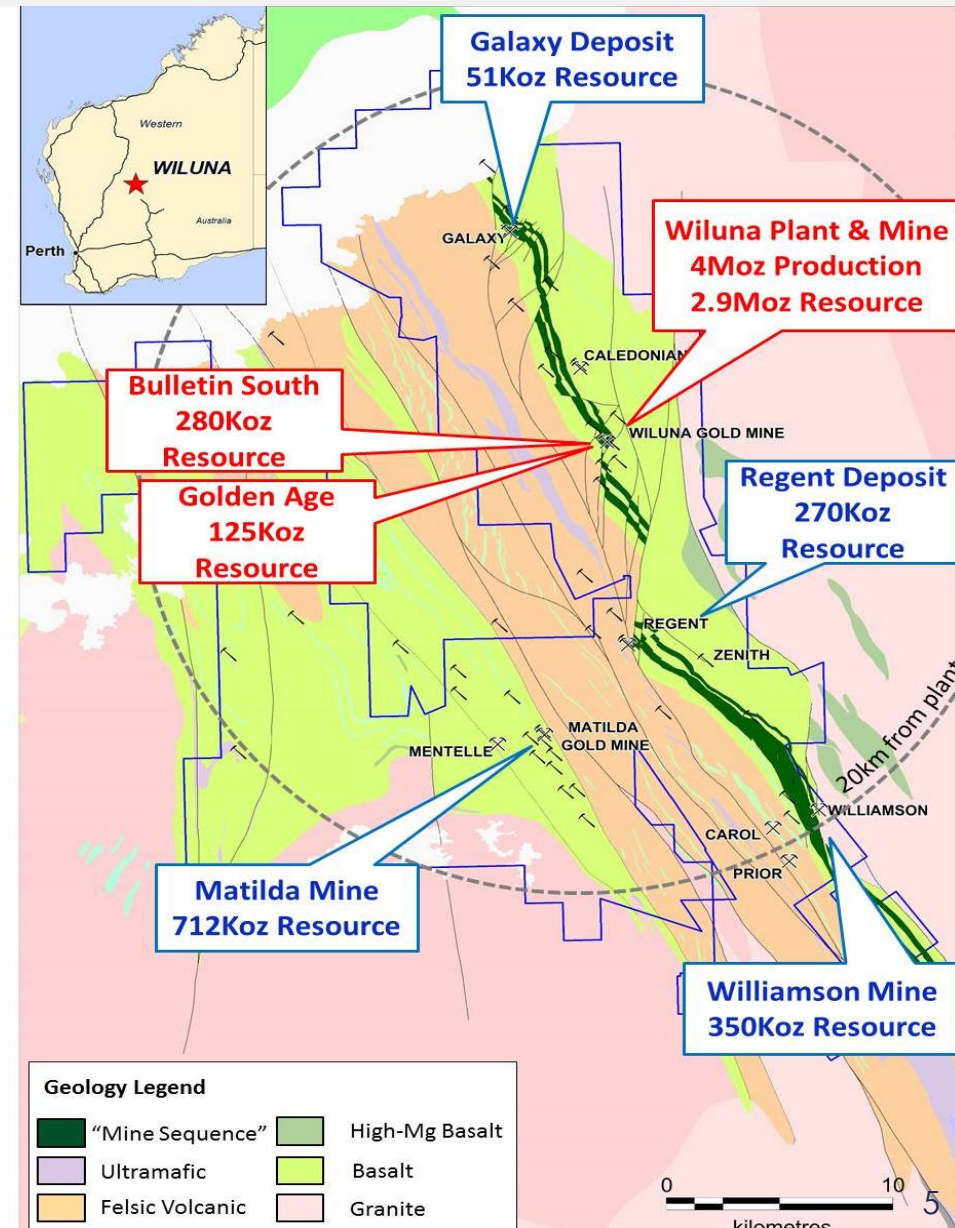
- Large, highly prospective tenement holding in the Northern Yilgarn, Western Australia
- The right address – low sovereign risk
- Regional endowment > 40Moz
- Matilda project has 8.7Moz endowment including 4Moz production
- Positioned for new discoveries and economic development of existing resources



Matilda Gold Project



- Resource 44Mt @ 3.3 g/t for 4.7Moz Au – 48% indicated resource level
- All deposits within 20km of BLK's gold plant with existing haul roads
- Mix of open pit & high grade underground ore
- 4Moz of historical production
- +780 km² of tenure & 55km of mine sequence strike
- Little systematic regional exploration in over 2 decades



Matilda's Extensive Infrastructure



- Plant 1.3Mtpa capable of 100kozpa¹
- Gas power station & diesel backup
- Permitted borefields and infrastructure
- 350 person village
- Sealed airstrip and roads
- Biox circuit capable of treating refractory ores
- UG infrastructure already in place
- Operating approvals and licenses

¹ assumes production from the Galaxy, Matilda and Golden Age deposits. Approximately 78% of the mineral inventory is to a measured and indicated resource category. 22% of the pit areas are inferred resource. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realized.



Wiluna Processing Circuit – 100% Owned



Mill 2

Mill 1

1.3Mtpa milling capacity in C&M since June 2013

Matilda Strategy: *Free milling focus*



Stage 1 Free milling production >100,000ozpa

- Free milling resources 22Mt @ 1.9g/t for 1.4Moz Au
 - includes priority high grade quartz reefs, a growing resource of 1.7Mt @ 4.0g/t for 221,000oz Au for open pit & underground mining
- Upgrade Mining Inventory of first 500,000oz – exploration focussed on high grade free milling ores for feasibility
- Low risk processing of free milling ores: crush, grind, gravity & CIL
- Low capital re-start \$25M to be financed out of \$30M debt facility



Matilda Development & Economics



Feasibility 5 mths & \$7M

Drilling
Processing &
mining studies
Overheads

Development 4 mths & \$25M

Plant refurb (\$11.6M)
Power Supply (\$1.3M)
Mine Development &
working cap (\$12.1M)

10 months & \$32M = 100,000oz Au per annum

Economics

Mineral Inventory
Gold price
Operating cashflow
Payback
All in Sustaining Costs

5.0Mt @ 2.8g/t for 454,000oz Au*
USD\$1,100/oz ex rate 73c
A\$147M over initial 4 years
9Mths
A\$1,000-1,100/oz*



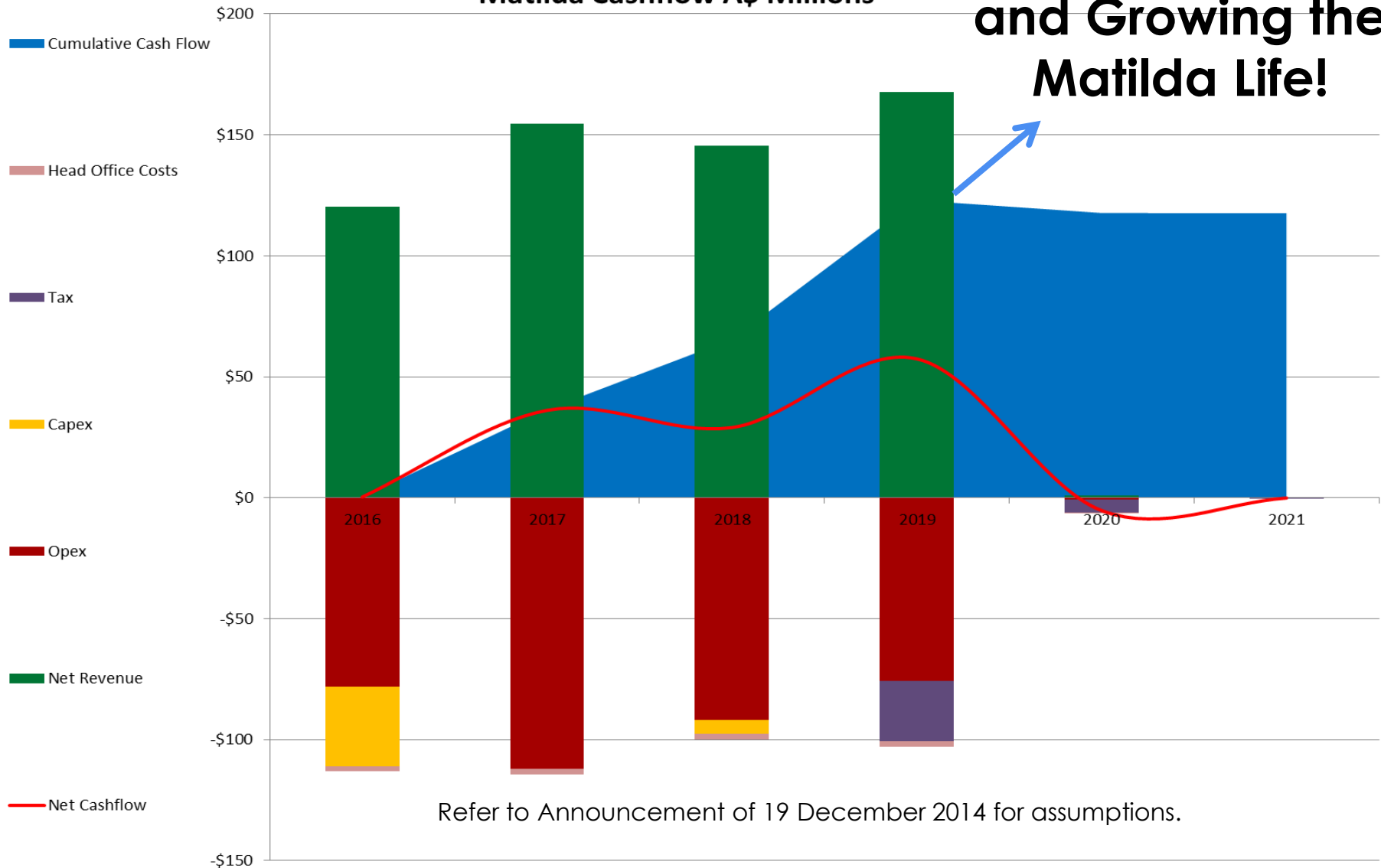
* Refer to Announcement of 19 December 2014.

Robust Matilda Economics

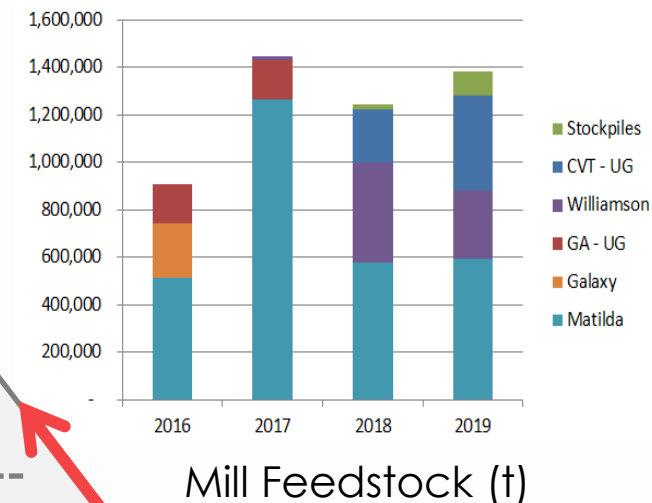
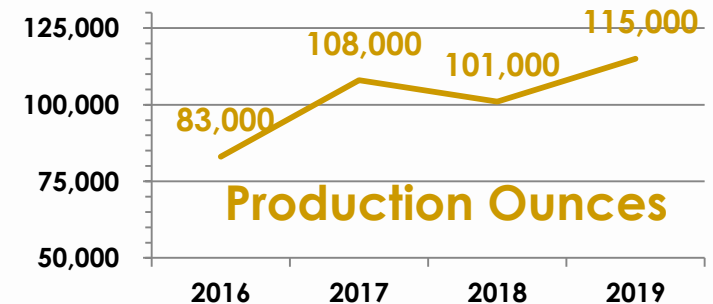
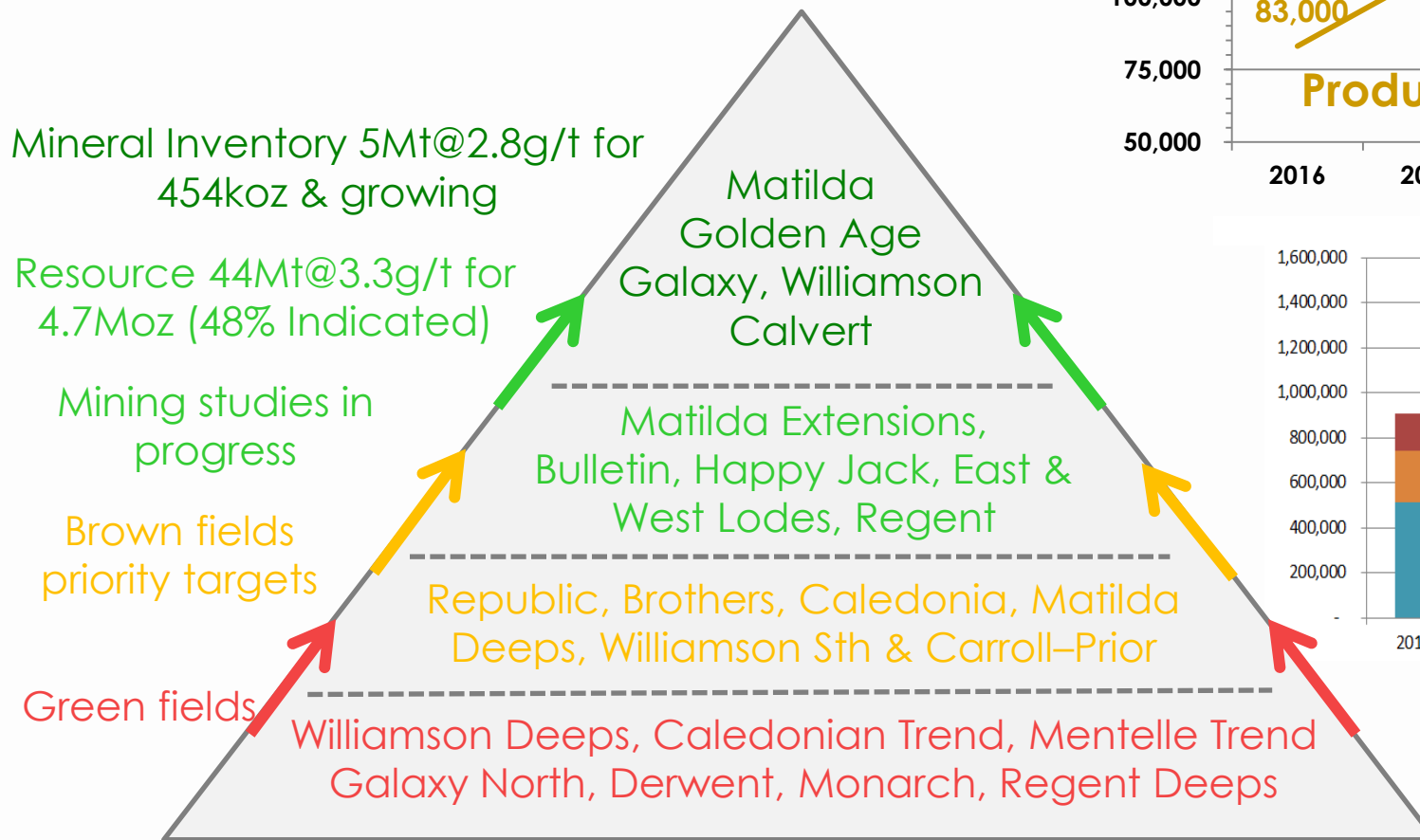


Matilda Cashflow A\$ Millions

**and Growing the
Matilda Life!**



Growing the mine life

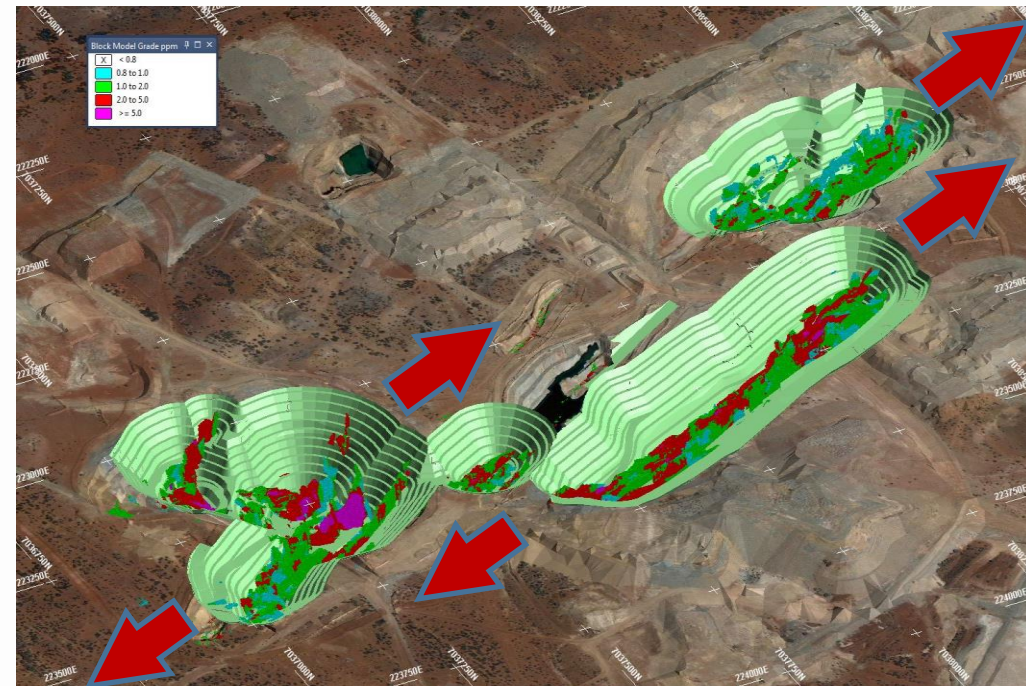


Focus on converting resources to reserves and converting priority brown field targets to resources

Matilda Mine – Near term mining opportunity

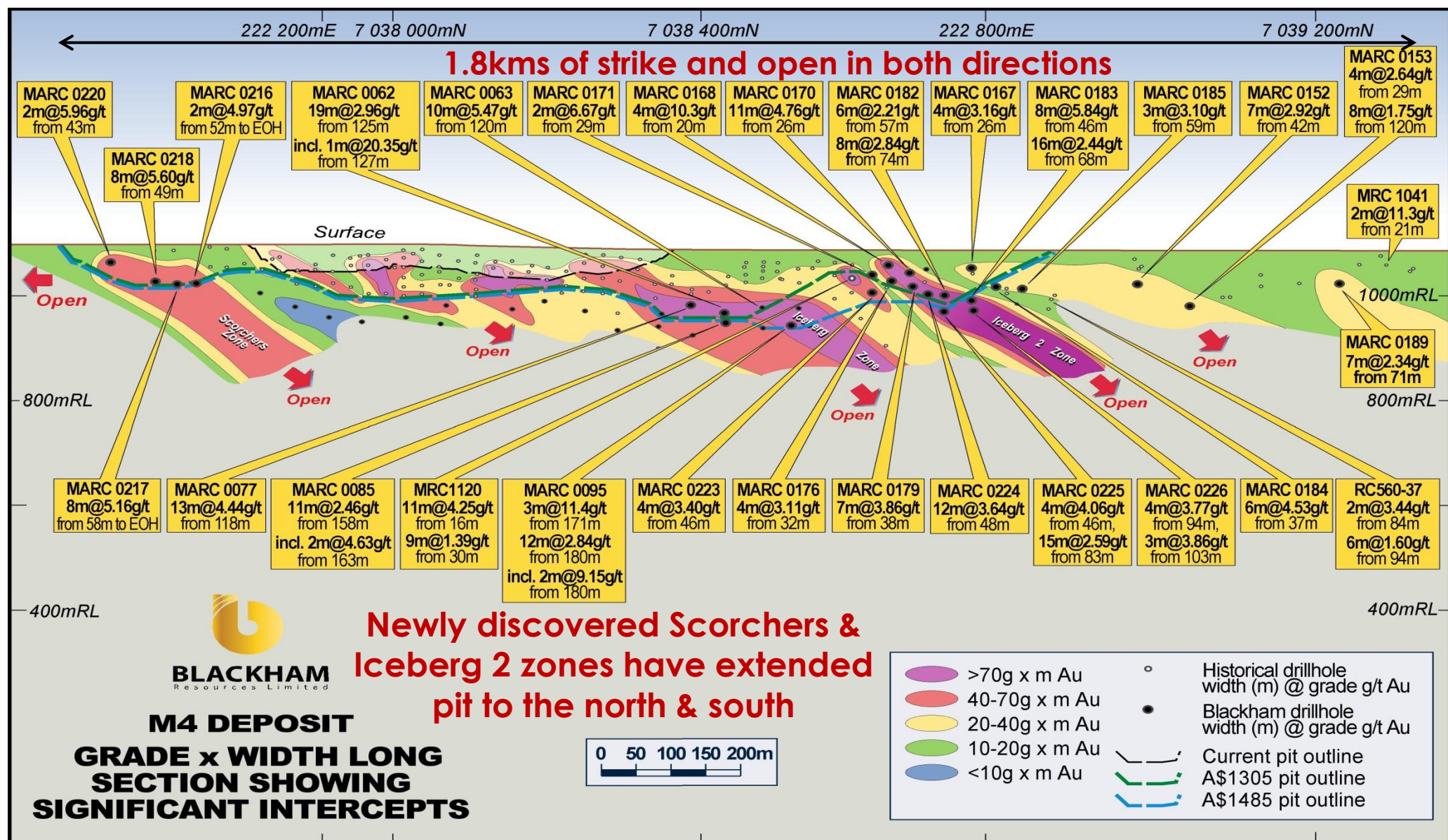


- Production (1987-1993):
 - 2.2 Mt@ 2.6g/t = 181,000oz au
 - mostly oxide material mined to < 50m
- Mineral Inventory
 - 90% indicated resource level
 - 1.9g/t diluted head grade
 - Gravity & leach recoveries 92%
- Mining ready in short term
- Mining and processing studies well advanced
- Drill programmes ongoing



RESOURCES	Mt	g/t Au	Oz Au
Measured	0.2	2.2	14,000
Indicated	7.0	1.8	410,000
Inferred	5.3	1.7	290,000
TOTAL	12.5	1.8	712,000

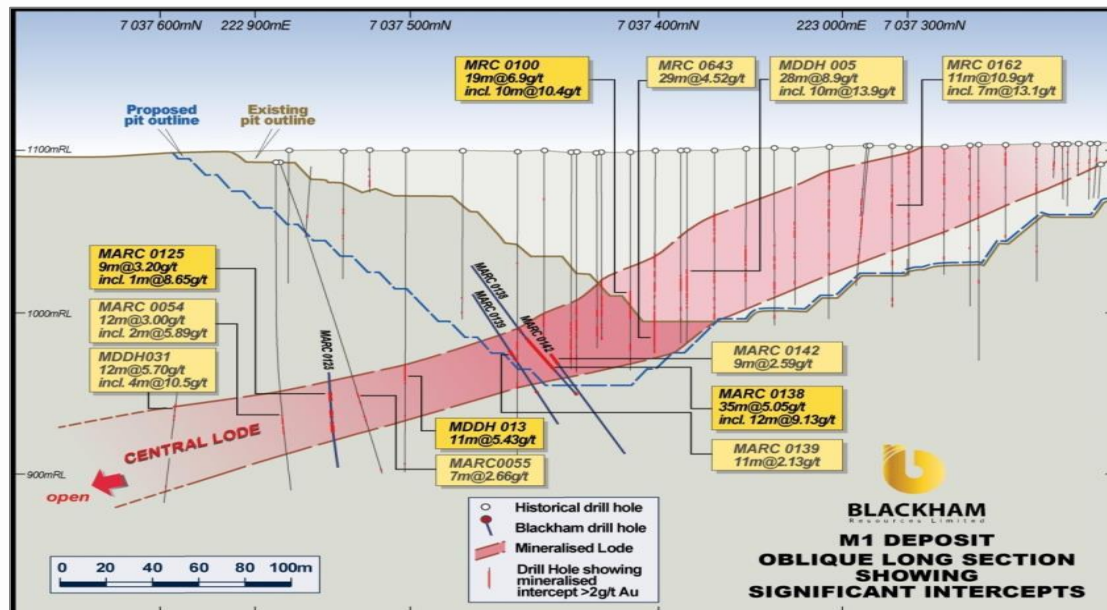
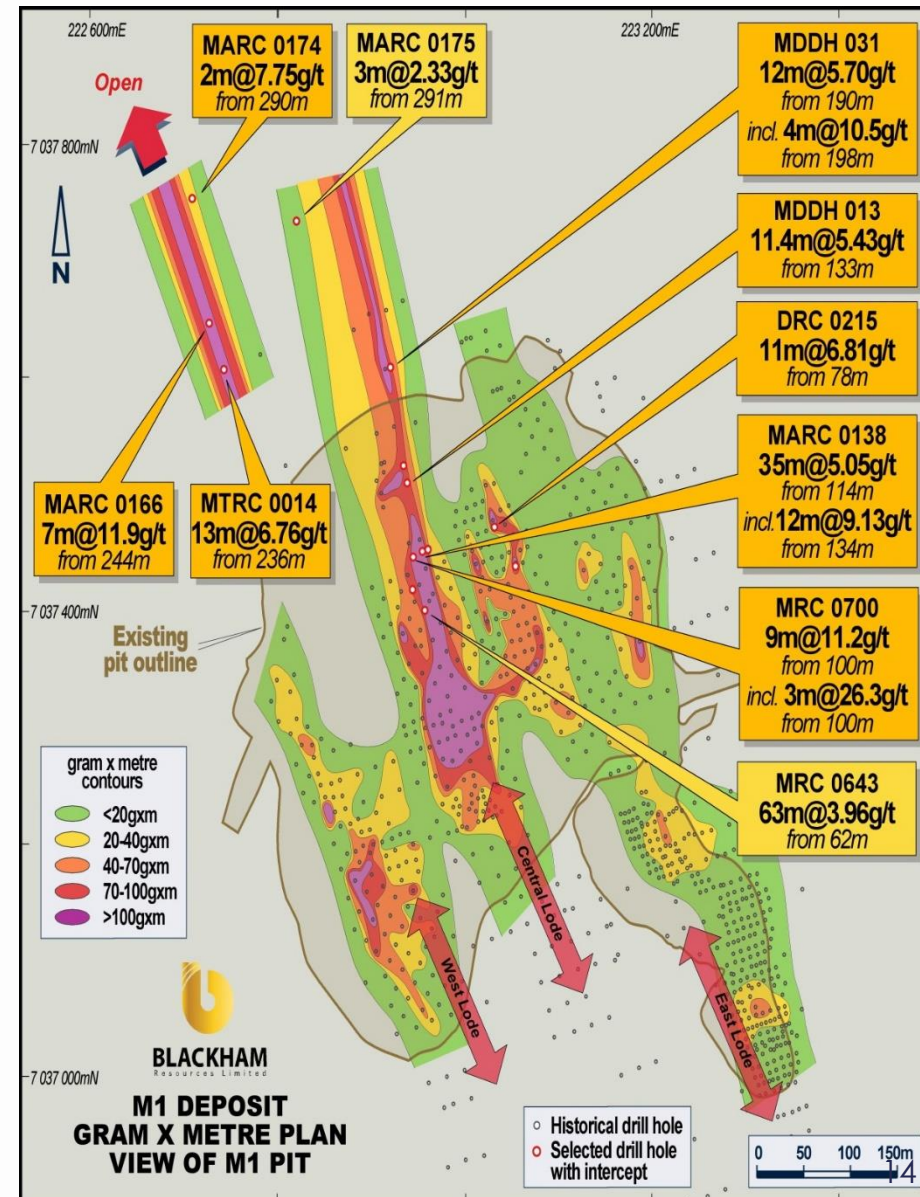
Matilda M4 – High grade shallow repeat lode



Matilda M1 Deposit



- High-grade mineralisation in pit floor
- Outstanding drill results:
 - 35m@5.05g/t (114m) incl 12m@ 9.1g/t
 - 7m@11.9g/t (244m)
- High grade priority target currently being drilled

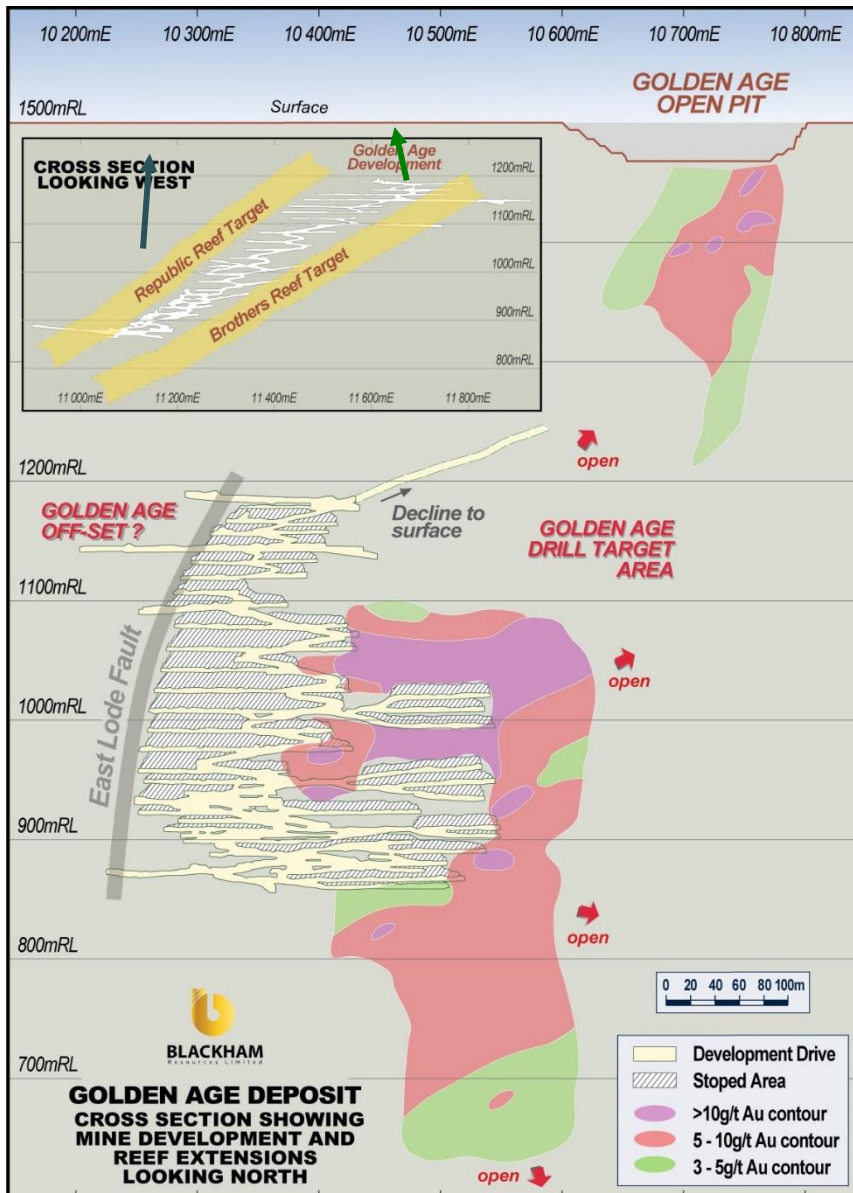
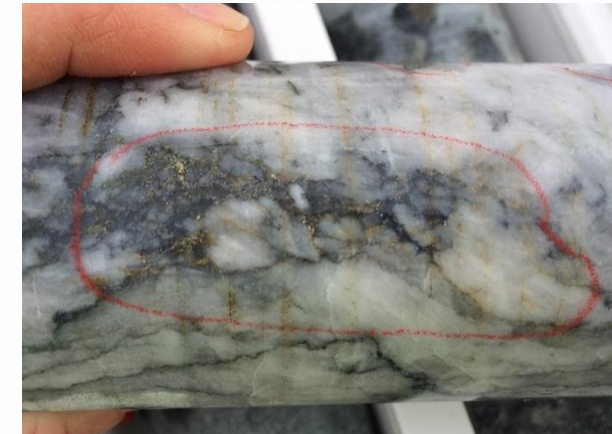


Golden Age – High grade quartz reef



- Produced 160,000oz Au @ 9g/t
- Resource 600kt@6.7g/t for 125,000oz
- Gravity leach recovery +95%
- Mine access permitted – capex cost sunk
- 3,500m UG drilling in progress

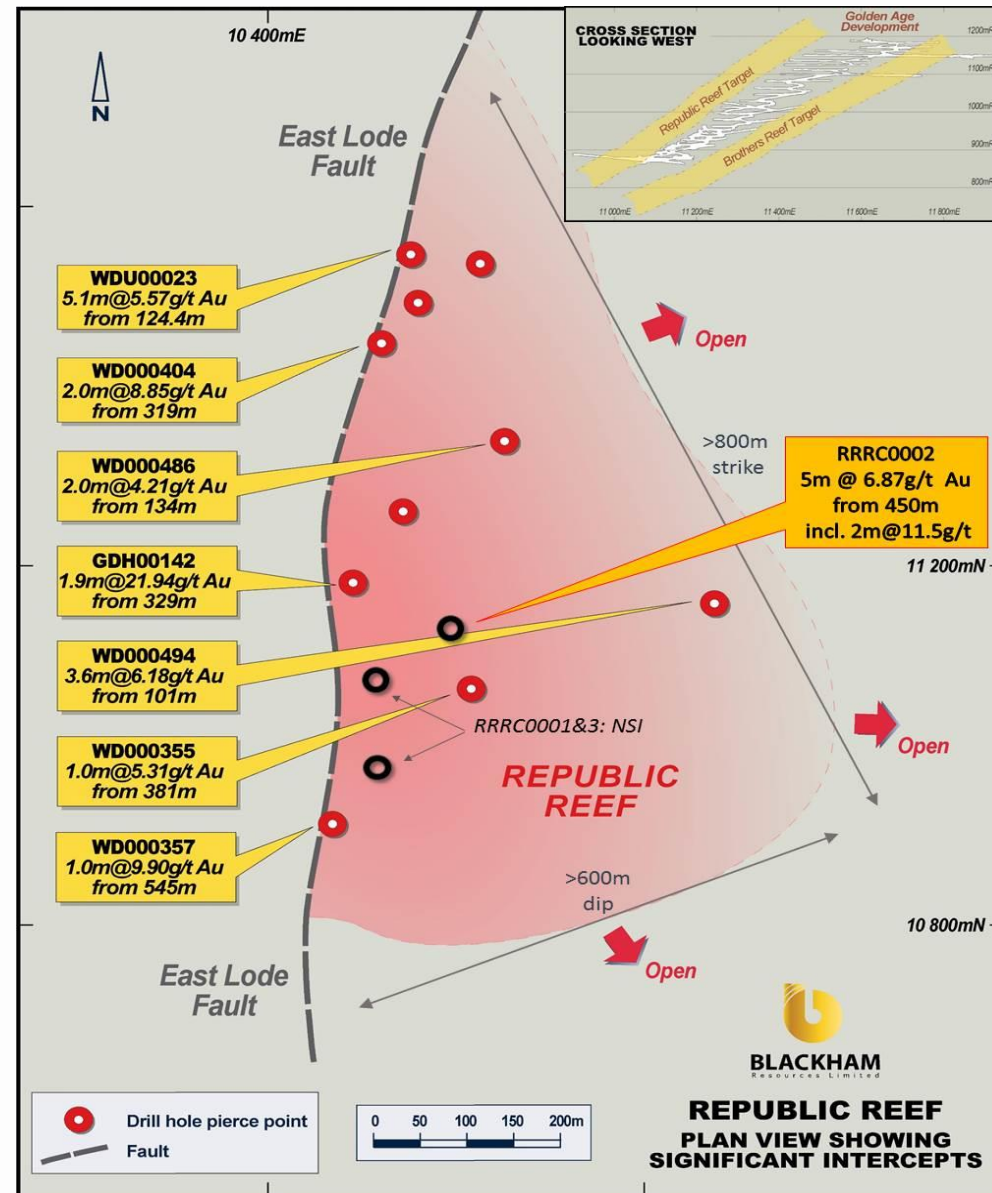
RESOURCES	Kt	g/t Au	Koz Au
Indicated	176	8.0	45
Inferred	410	6.1	80
TOTAL	586	6.7	125



Republic – High grade quartz reef



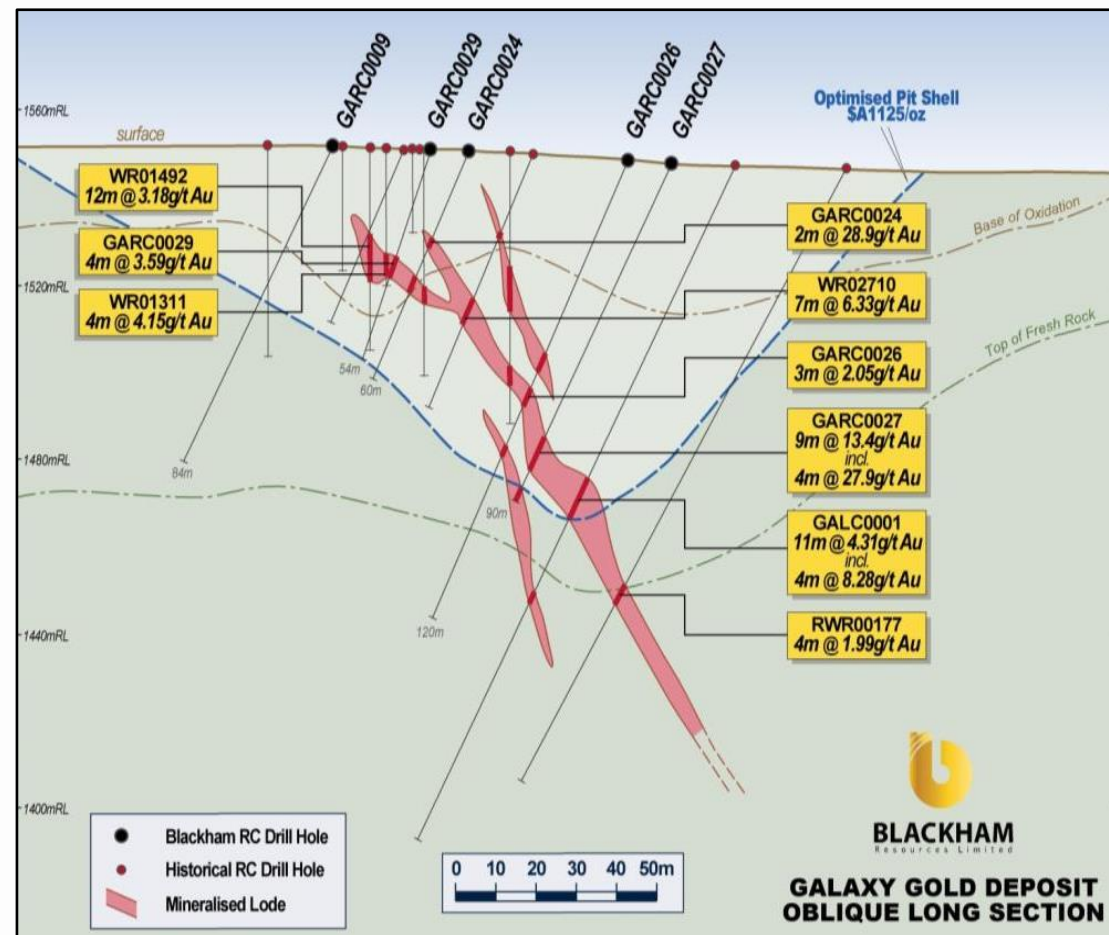
- 150m off the existing Golden Age UG development
- Previously open cut mined
- 800m strike and 600m dip
- Drill composite average grade 7.1g/t Au
- Initial BLK drill programme
5m @ 6.87g/t Au
incl. 2m @ 11.5g/t (RRRC0002)



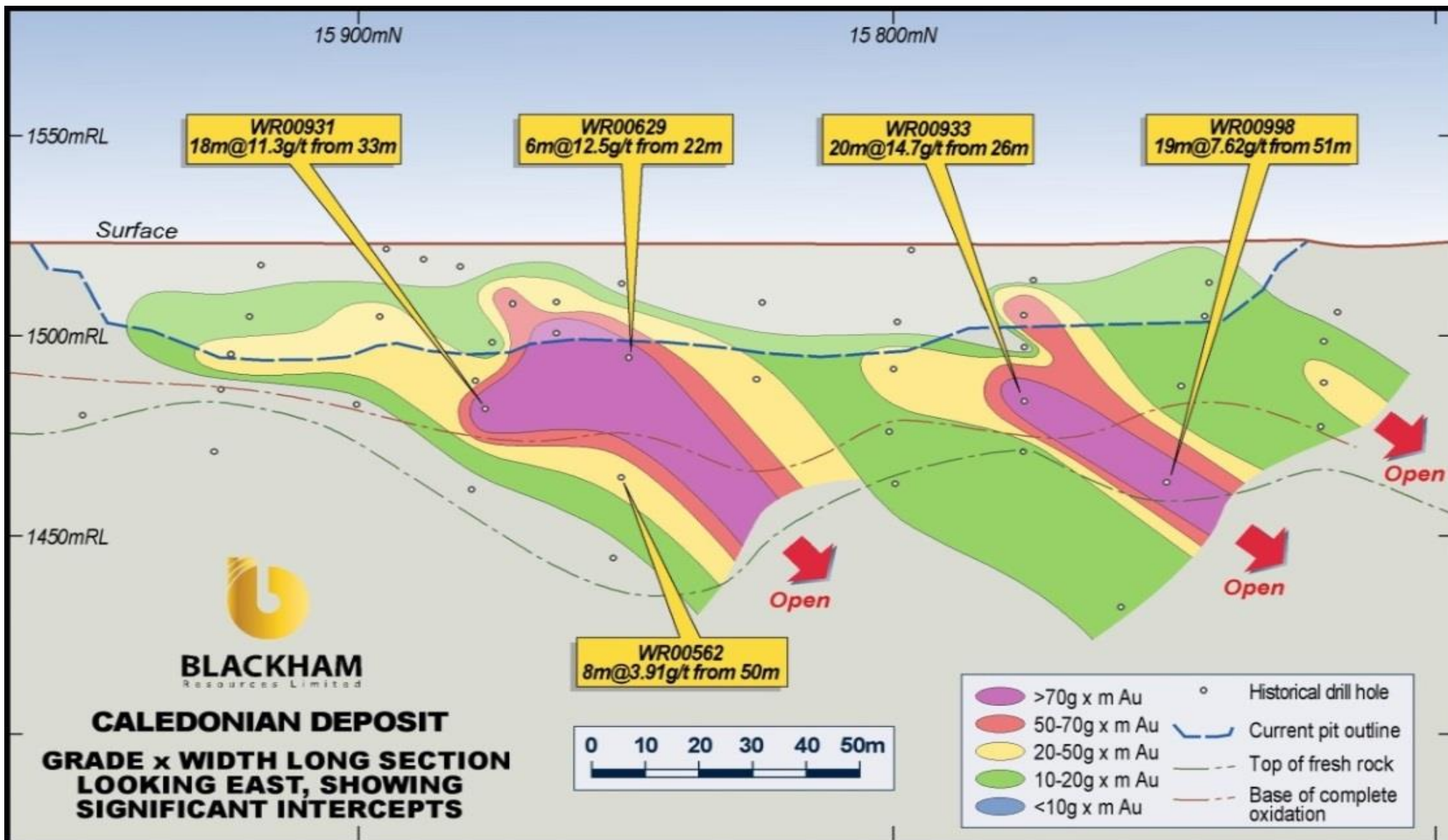
Galaxy – Shallow high grade quartz reef system



- Northern extent of a 15km quartz reef system including Golden Age, Republic, Brothers, Caledonia & Golden Age North
- Resource 550kt @ 2.9g/t for 51,000oz Au 13kms NNW of Wiluna plant
- Mineral Inventory - 80% indicated resource level
- 3.3g/t diluted head grade
- Gravity & leach recoveries 96%
- Diamond drill programme in progress



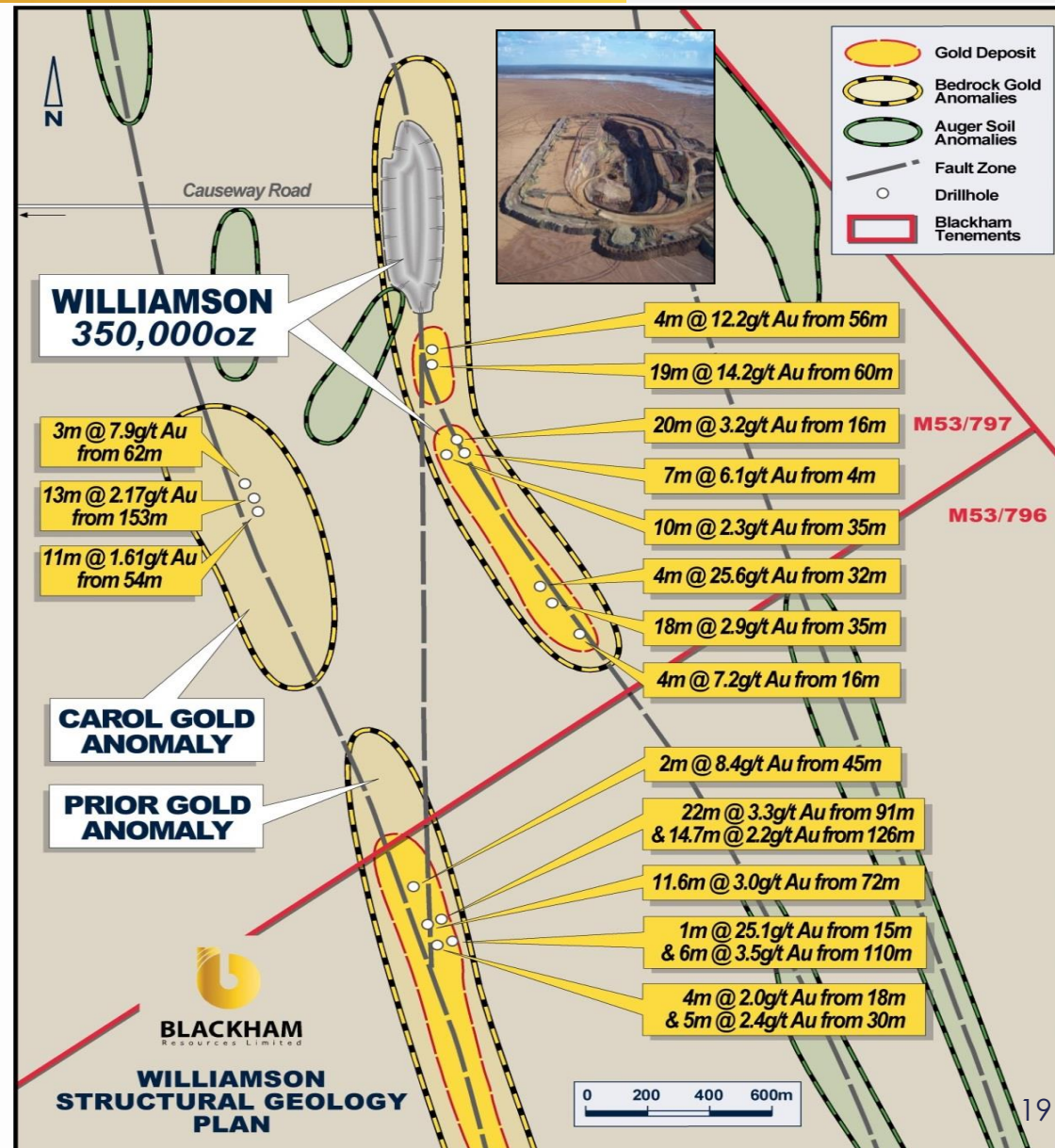
Caledonia Pit – High grade in pit floor



Lake Way – Very large mineralized system



- 19km south along strike from Wiluna – large tonnage potential
- 350koz resource - structural setting similar to Wiluna – potential cluster of deposits
- Williamson south mineralisation extends for 1.5km south of pit
- Carroll-Prior drilling identified continuous mineralisation >3km
- Infill drilling needed to define resource extensions

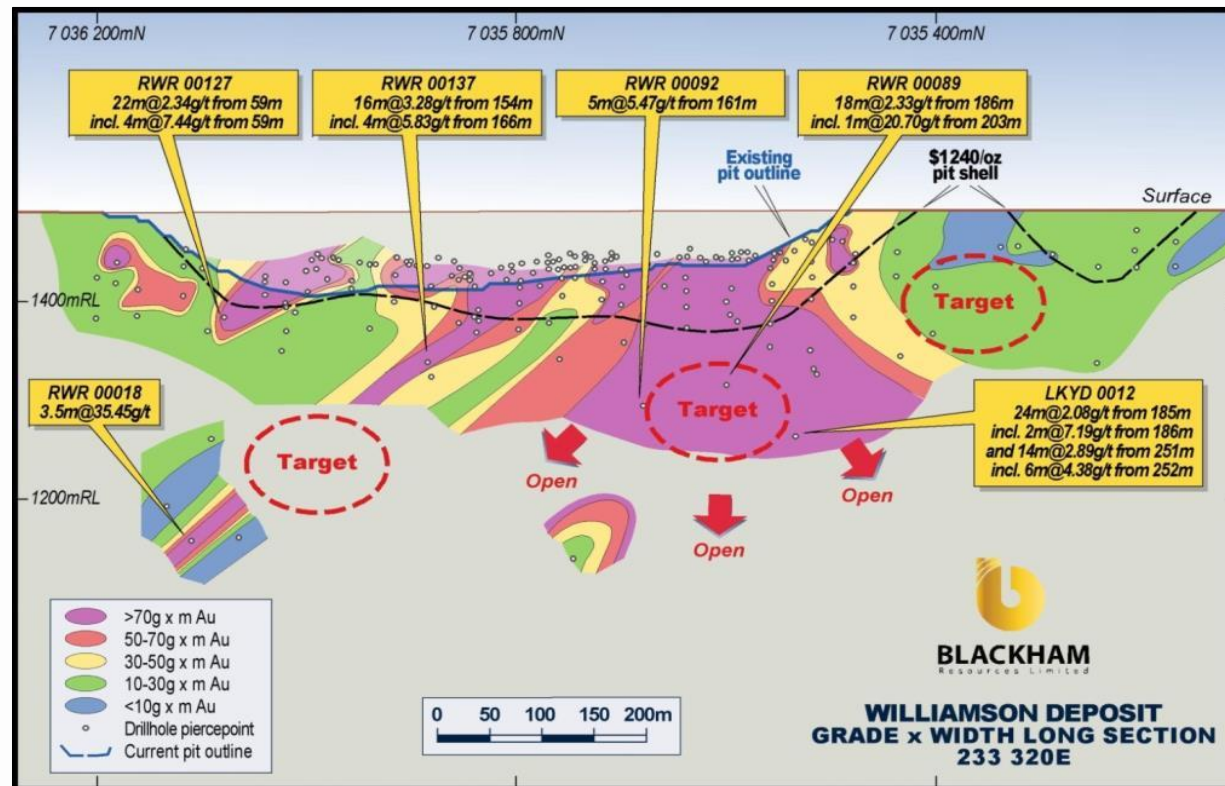


Williamson Deposit – Up to 40m wide ore body



- Historically produced 660kt @ 2.0g/t Au
- High-grade shear zones bounding monzogranite stockwork up to 40m wide, free-milling ore
- Open pit mining study well advanced
- High grade UG mineralisation
 - 3m@40.1g/t from 117m
 - 4.3m@17.0g/t from 136m
 - 3.5m@35.5g/t from 372m

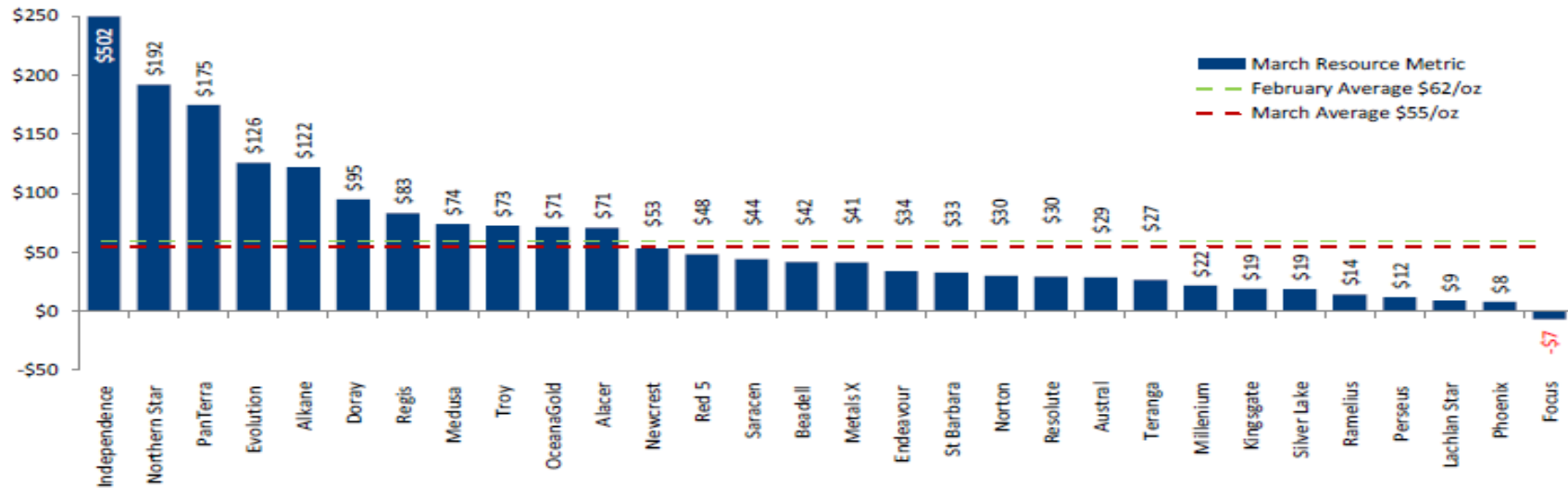
RESOURCES	Mt	g/t Au	Oz Au
Indicated	2.7	1.7	148,000
Inferred	3.6	1.8	202,000
TOTAL	6.3	1.7	350,000



Australian Gold Producers



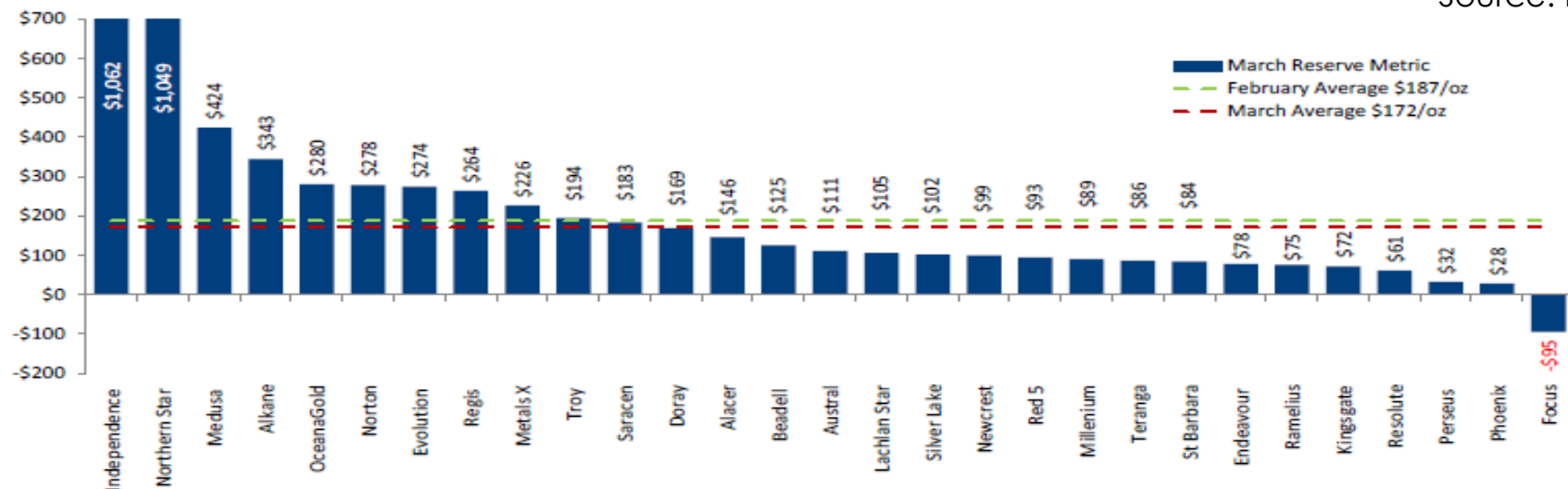
Producers - EV / Resource (A\$/oz AuEq)



← Avg \$55/oz

← BLK \$4/oz

Producers - EV / Reserve (A\$/oz AuEq)



Source: PCF Capital Group

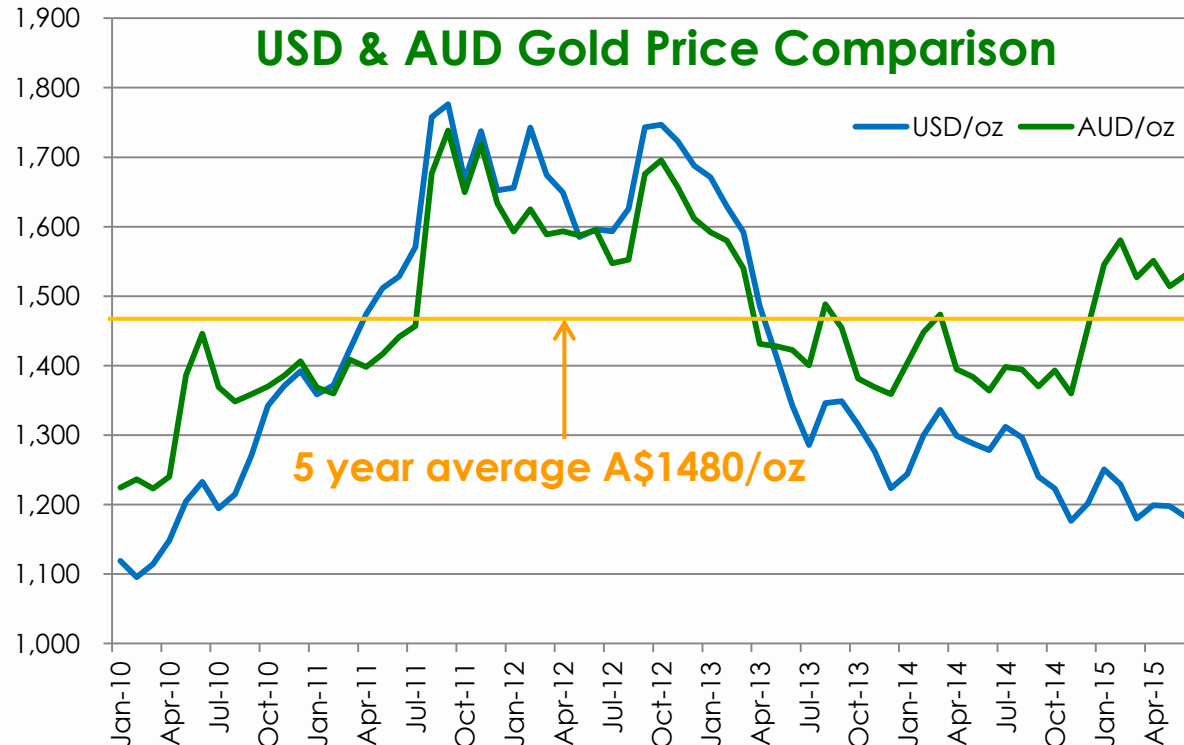
← Avg \$172/oz

← BLK \$42/oz of Mineral Inventory

Australian Gold Opportunity



USD & AUD Gold Price Comparison



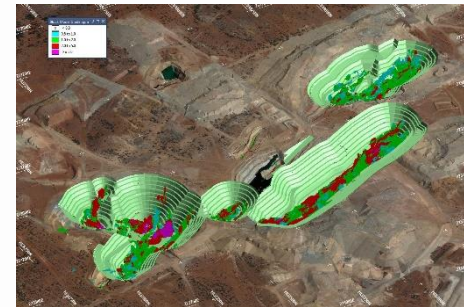
- AUD gold price less volatile
- AUD exchange rate mitigates risk
- AUD gold producers making good margins
- Very cheap AUD share values
- Matilda margin \$440/oz on 105,000ozpa



Blackham's Matilda Vision



- Blackham is focused on its 100% owned Matilda Gold Project in Western Australian with 4.7Moz resources
- Plant with capacity for > 100,000ozpa¹
- Existing plant & infrastructure minimises capex & risk
- Working towards a 10 year mine life focusing on the free milling ores
- Very low capital - high return opportunity for shareholders
- Fully funded to production by Quarter 2, 2016



1. Assumes production from the Galaxy, Matilda and Golden Age deposits. Approximately 78% of the mineral inventory is to a measured and indicated resource category. 22% of the pit areas are inferred resource. There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realized.

Disclaimers & Important Information



This presentation includes certain statements that may be deemed 'forward-looking statements'. All statements that refer to any future production, resources or reserves, exploration results and events or production that Blackham Resources Ltd ('Blackham' or 'the Company') expects to occur are forward-looking statements. Although the Company believes that the expectations in those forward-looking statements are based upon reasonable assumptions, such statements are not a guarantee of future performance and actual results or developments may differ materially from the outcomes. This may be due to several factors, including market prices, exploration and exploitation success, and the continued availability of capital and financing, plus general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance, and actual results or performance may differ materially from those projected in the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.

The information contained in the report that relates to Exploration Targets and Exploration Results at the Matilda Gold Project is based on information compiled or reviewed by Mr Cain Fogarty, who is a full-time employee of the Company. Mr Fogarty is a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Fogarty has given consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

The information contained in the report that relates to Mineral Resources is based on information compiled or reviewed by Mr Marcus Osiejak, who is a full-time employee of the Company. Mr Osiejak, is a Member of the Australian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Osiejak has given consent to the inclusion in the report of the matters based on this information in the form and context in which it appears.

With regard to the Matilda Gold Project Mineral Resources, the Company is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and parameters underpinning Mineral Resource Estimates as reported in the market announcements dated 10th June 2015 continue to apply and have not materially changed.

Contact Details



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ASX Code: **BLK**

Project partners:



Directors & Management



Paul Murphy Independent Non-Executive Chairman

Mr Murphy is a former banker with extensive experience in finance, strong relationships within the banking, finance and broking community as well as an impeccable reputation in the industry

Bryan Dixon Managing Director

Bryan's skills and experience include project acquisition, mine development and financing. Has been involved in development and financing of 3 gold mines. Having previously worked with KPMG, Resolute Limited and Archipelago Resources Plc, he has substantial experience in the mining sector and the management of listed public companies.

Alan Thom Executive Director Mining Engineer

Alan, a mining engineer, has extensive mining experience. He holds a Western Australian First Class Mine Managers Certificate and has held statutory mine and management positions for Newmont in both underground and open-pit operations at Jundee and Bronzewing. Alan has managed a number of definitive and bankable feasibility studies for significant resource projects.

Greg Miles Non Executive Director Geologist

Greg graduated as a geologist and has since worked in a number of different commodities and mineral provinces across a broad portfolio of grass-roots to development projects. Professional highlights include involvement in the discovery of the 2.3Moz Centenary Deposit at the Darlot Gold Mine in Western Australia.

Peter Rozenauers Non-Executive Director

Mr. Rozenauers has extensive experience in commodities, equities and FX. Peter earned a BEng (Honours 1) in Mining from the University of NSW and a Masters in Applied Finance from the University of Technology Sydney.

Mike Robbins CFO / Company Secretary

Mr Robbins has well over 20 years resource industry experience gathered at both operational and corporate levels, both within Australia and overseas.

Graham Lingard Resident Mine Manager

Graham has over 35 years of experience in the mining industry in Western Australia. Graham has worked at Wiluna since 2007 including as resident manager since Aug 2013. He has previously worked in managerial roles in numerous gold mines in the Yilgarn.

Craig Bartle Plant & Metallurgical Manager

Craig Bartle is a metallurgist with extensive experience in the resources industry. He was a senior metallurgist at Wiluna for Apex, Oxiana, and Agincourt Resources and previously worked at Beaconsfield gold mine.

Cain Fogarty Exploration Manager

Mr Fogarty has broad experience in greenfields and near-mine exploration, having worked around Australia and internationally on a variety of major ore deposit styles, particularly sediment-hosted base metals and orogenic gold. Previously, Mr Fogarty has worked with Barrick Gold Corp, Equinox Minerals and CSA Global.

Marcus Osiejack Senior Resource Geologist

Marcus has expertise in a variety of underground and open pit gold operating roles with technical skills including resource modelling, estimation and grade control. Having previously worked at Lawlers, Darlot and numerous gold projects within Western Australia.

Appendix A: Gold Resources



Matilda Gold Project Resource Summary												
Mining Centre	Measured			Indicated			Inferred			Total 100%		
	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au	Mt	g/t Au	Koz Au
Matilda Mine	0.2	2.2	14	7.0	1.8	410	5.3	1.7	290	12.5	1.8	712
Williamson Mine				2.7	1.7	150	3.6	1.7	200	6.3	1.7	350
Regent				0.7	2.7	61	3.1	2.1	210	3.9	2.2	270
Galaxy				0.2	3.3	25	0.3	2.6	26	0.6	2.9	51
Golden Age				0.2	8.0	45	0.4	6.1	80	0.6	6.7	125
Bulletin South OP				0.9	3.2	90	1.7	3.5	190	2.6	3.4	280
East Lode				1.0	5.2	170	2.3	4.7	340	3.3	4.8	510
West Lode Calvert				1.4	5.5	240	2.8	5.2	460	4.2	5.3	700
Henry 5 - Woodley - Bulletin Deeps				2.1	5.9	400	0.8	4.6	120	2.9	5.6	520
Burgundy - Calais				1.3	6.0	250	0.3	5.7	60	1.6	6.0	310
Happy Jack - Creek Shear				1.5	5.9	290	1.3	4.8	200	2.9	5.4	490
Other Wiluna Deposits				1.0	3.5	110	1.8	4.0	230	2.8	4.1	340
Total	0.2	2.2	14	20	3.5	2,241	24	3.2	2,406	44	3.3	4,658

Mineral Resource estimates are not precise calculations, being dependent on the interpretation of limited information on the location shape and continuity of the occurrence and on the available sampling results. The figures in the Table above are rounded to two significant figures to reflect the relative uncertainty of the estimate. See 10th June 2015 ASX announcement.



Stage 2 High grade refractory ores to complement free milling ores

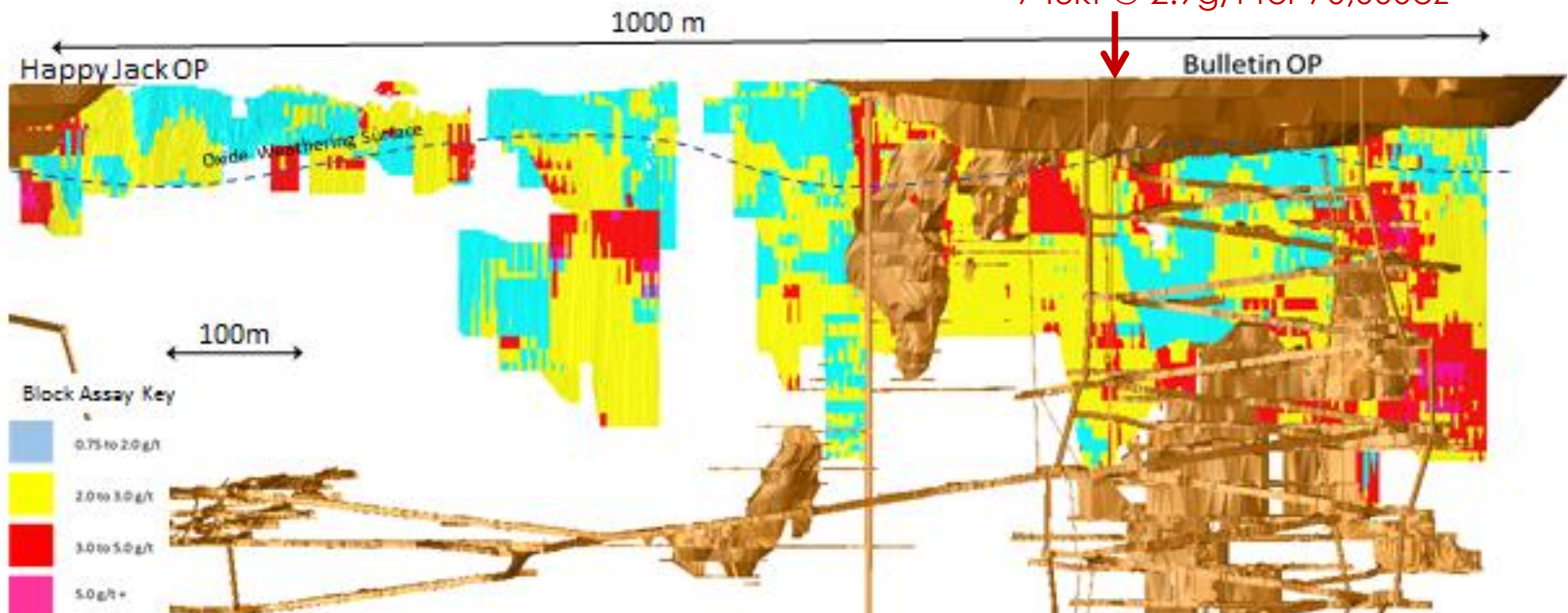
- Underground and open pit refractory ore will extend mine life
- Refractory resources - 22Mt @ 4.6g/t for 3.3Moz Au - 2g/t bottom cut
 - Underground 11Mt @ 6.3g/t for 2.3Moz Au - 4g/t bottom cut
 - East & West Lode 5.0Mt @ 6.1g/t for 1.0Moz - 4g/t bottom cut
- Substantial mine development already in place
- 82% average recoveries over last 10 years
 - Opportunities to improve recoveries
- Operating history gives good indication of cost
 - Energy cost estimated at \$0.18/kWh
- Wiluna operating history +6g/t underground ores are profitable

Bulletin – Good grade, shallow deposit



- Resource 2.6Mt @ 3.4g/t for 280koz (32% indicated) structures open at depth over the 1.5km-long Bulletin- Happy Jack trend.
- Open pit mining study underway

Bulletin OP Production
743kt @ 2.9g/t for 70,000oz



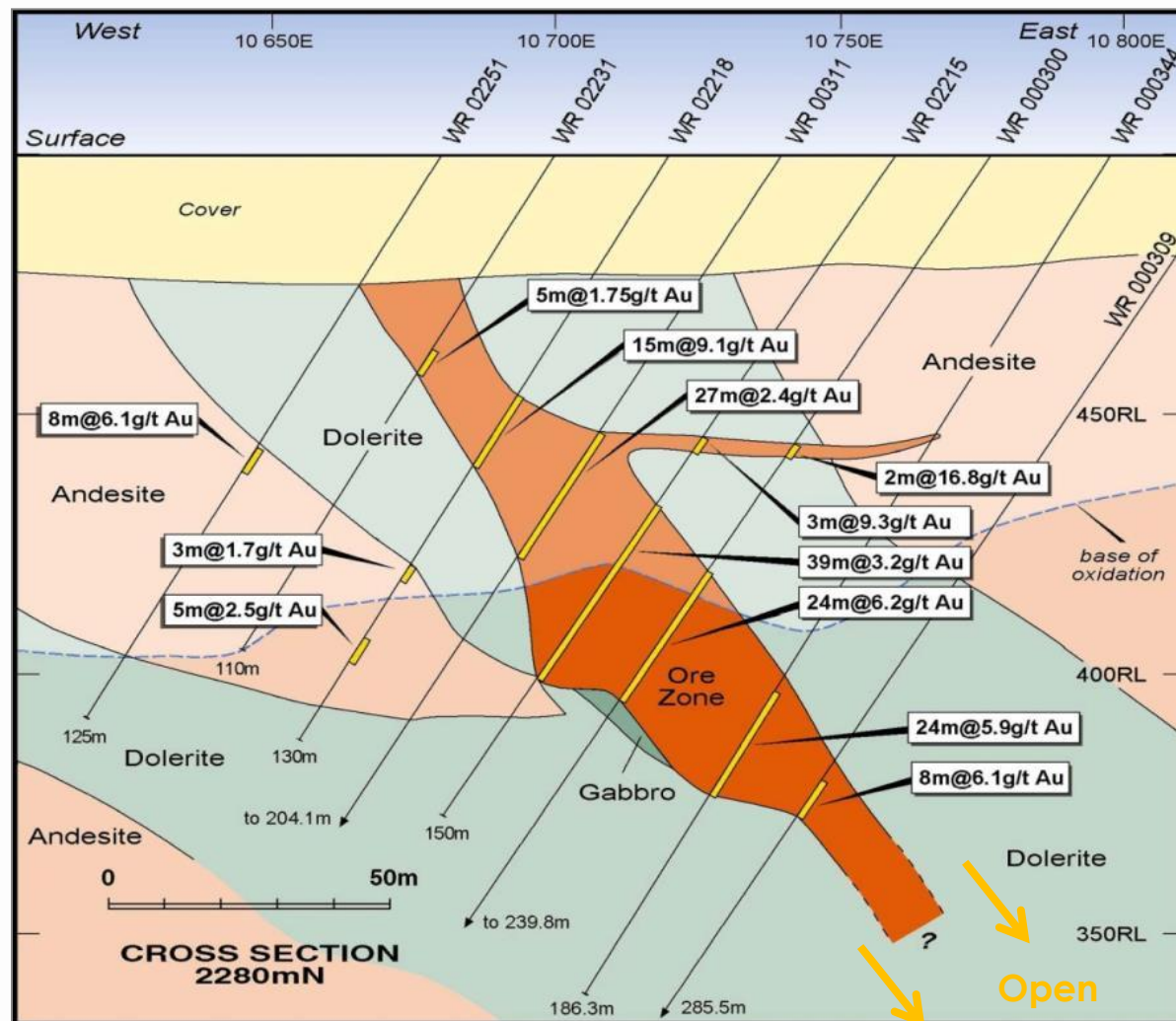
Long section looking west - Bulletin & Happy Jack open pit target area showing grade with oxidation levels.

Regent – Robust Resource



Considerable scope to increase deposit

- 700m of strike and still open
- Excellent grades and widths – steep dilatant structures open at depth
- Good continuity, robust deposit
- Additional extension drilling down plunge required



RESOURCES	Tonnes	g/t Au	Contained Oz Au
Indicated	738,000	2.5	69,000
Inferred	3,108,000	2.1	211,000
TOTAL	3,846,000	2.2	270,000